

**IN THE UNITED STATES BANKRUPTCY COURT
EASTERN DISTRICT OF MICHIGAN
SOUTHERN DIVISION**

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In re : Chapter 9
:
CITY OF DETROIT, MICHIGAN, : Case No. 13-53846
:
Debtor. : Hon. Steven W. Rhodes
X

**DEBTOR'S OBJECTION TO THE AMENDED MOTION OF CREDITOR
DEBORAH RYAN, AN INTERESTED PARTY, FOR RELIEF FROM THIS
COURT'S ORDER STAYING PROCEEDINGS**

The City of Detroit, Michigan (“City”), as the debtor in the above-captioned case, objects to the Amended Motion of Creditor Deborah Ryan, an Interested Party, for Relief from this Court’s Order Staying Proceedings [Dkt. No. 819] (“Stay Relief Motion” or “Motion”) and supporting Brief (“Stay Relief Brief”) filed by Deborah Ryan. In support of this Objection, the City incorporates in their entirety the arguments set forth in the Brief in Opposition to Amended Motion of Creditor Deborah Ryan, an Interested Party, for Relief from this Court’s Order Staying Proceedings filed contemporaneously with this objection (“Brief in Opposition”) and respectfully states:

Background

1. On July 18, 2013 (“Petition Date”), the City commenced this case under chapter 9 of title 11 of the United States Code (“Bankruptcy Code”).
2. On September 22, 2009, Deborah Ryan’s daughter, Patricia “Katie” Williams, was shot to death by her husband, Edward Williams who also subsequently took his own life. Both decedents were, at the time of their deaths, City of Detroit police officers.
3. Prior to the Petition Date, on March 11, 2011, Deborah Ryan, as Personal Representative of the Estate of Patricia “Katie” Williams (“Plaintiff”), filed a Complaint against the City of Detroit and two City of Detroit police officers (“Individual Detroit Defendants” and together with the City, “Detroit Defendants”) in United States District Court for the Eastern District of Michigan (“District Court”), case number 11-CV-10900 (“Litigation”). A copy of the Complaint¹, as amended, is attached as **Exhibit A**.
4. The Complaint asserts various claims against the Defendants including alleged violations of the Civil Rights Act of 1871, 42 U.S.C. § 1983. The Complaint alleges that actions of the Defendants caused and/or contributed to the death of Deborah Ryan’s daughter.

¹On September 5, 2011, the Plaintiff amended the Complaint to include Canton Township and two individual Canton Police officers (“Canton Defendants” and together with the Detroit Defendants, the “Defendants”).

5. On September 12, 2012 the City and Individual Detroit Defendant Kozloff filed an Answer and Affirmative Defenses, denying liability. Individual Detroit Defendant Blackmon subsequently filed his Answer and Affirmative Defenses on September 29, 2012. A copy of the Answers and Affirmative Defenses are attached as **Exhibit B**.

6. Discovery is complete in the Litigation and, prior to the Petition Date, the Canton Defendants and the Detroit Defendants filed dispositive Motions for Summary Judgment.

7. On September 11, 2013 the Plaintiff filed the Stay Relief Motion. The Plaintiff seeks relief from the Automatic Stay of section 362 of the Bankruptcy Code (“Automatic Stay”), as made applicable in this chapter 9 case by sections 901 and 922 of the Bankruptcy Code, to pursue the Litigation against the Detroit Defendants and/or a modification to the automatic stay to allow the United States District Court to adjudicate the pending Motion for Summary Judgment that has been filed by the Detroit Defendants. Stay Relief Motion at 13. The similar motions of the Canton Defendants would be determined as well.²

8. The Plaintiff alleges that the Automatic Stay, as it impacts the Litigation, violates the Plaintiff’s Constitutional rights. Stay Relief Motion at 8-9. Additionally, the Plaintiff alleges that relief from the Automatic Stay would

² The Litigation is not stayed with respect to the Canton Defendants.

promote judicial economy. Stay Relief Motion at 22. Finally, the Plaintiff claims that the Automatic Stay should not apply to the individual Detroit Defendants because they are not “officials” within the meaning of Chapter 9 of the Bankruptcy Code and because both are being sued in their individual capacities and not in their roles as officers of the City of Detroit. Stay Relief Brief at 16.

Objection

9. For all of the reasons set forth in the attached Brief in Opposition, which is incorporated by reference, cause does not exist warranting relief from the Automatic Stay with respect to the Litigation, the Automatic Stay does not violate Plaintiff’s right to due process and the Automatic Stay does apply to the Individual Detroit Defendants. Therefore, the Stay Relief Motion should be denied.

WHEREFORE, for the reasons set forth in these papers and in the Brief in Opposition, the City respectfully requests that this Court: (a) deny the Stay Relief Motion; and (b) grant such other and further relief to the City as the Court may deem proper.

Dated: September 25, 2013 Respectfully submitted,

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